

## TECHNOLOGY & INNOVATION

Tennessee is developing and supporting the workforce of the 21st Century with statewide initiatives in nanotechnology, biotechnology, and information technology. The Oak Ridge/Knoxville area alone is home to more than 1,000 technology-based companies with more than 4,500 technical professionals and more than 10,000 scientists. What's more, Tennessee has partnered with major research and technology centers across the state to provide industries with high-level support to promote research and company efficiency. These partners include:



## GREEN ENERGY & CLEAN TECHNOLOGY

Tennessee's commitment to environmental preservation and sustainability begins with Governor Phil Bredesen, who as the state's Chief executive, developed a unique partnership between Oak Ridge National Lab, the University of Tennessee and state government to advance the development of cellulosic ethanol made from products found outside the food chain. His leadership helped ORNL in 2007 to be named one of three national bio-fuels research centers. Bredesen also established the Governor's Task Force on Energy Policy, a group of leaders in conservation, technology, education, government and research working to develop strategies to aggressively

move Tennessee to the forefront of renewable energy development and environmental sustainability.

**Tennessee is poised to become a leader in the development of "green jobs" by using our state's nationally recognized business climate as an incubator for environmentally friendly innovation.**

**Some forward-thinking business incentives established to nurture this growth include:**

- The Green Energy Tax Credit
- Pollution Control Equipment Tax Credit
- Green Island Biofuel Corridor Infrastructure Grant
- Tennessee Clean Energy Technology Grant Program (TN-CET)
- Reduced Tax on Electricity

\*For more information about energy-related programs, contact ECD at (615) 741-6201 or go to [www.state.tn.us/ecd/energy](http://www.state.tn.us/ecd/energy).

## ELECTRIC POWER

America's largest publicly owned utility, the Tennessee Valley Authority, is headquartered in Tennessee. For seven years in a row, TVA has delivered power to customers with 99.999% reliability.



## COMMUNICATIONS

Internet and broadband usage among Tennessee's businesses is rising quickly, with 81% of businesses reporting they use computers in July 2008, and 60% of all businesses reporting they have a broadband connection.

## INTERNET

For more information, please visit [www.tnecd.gov](http://www.tnecd.gov).

## TOP EXPORT MARKETS

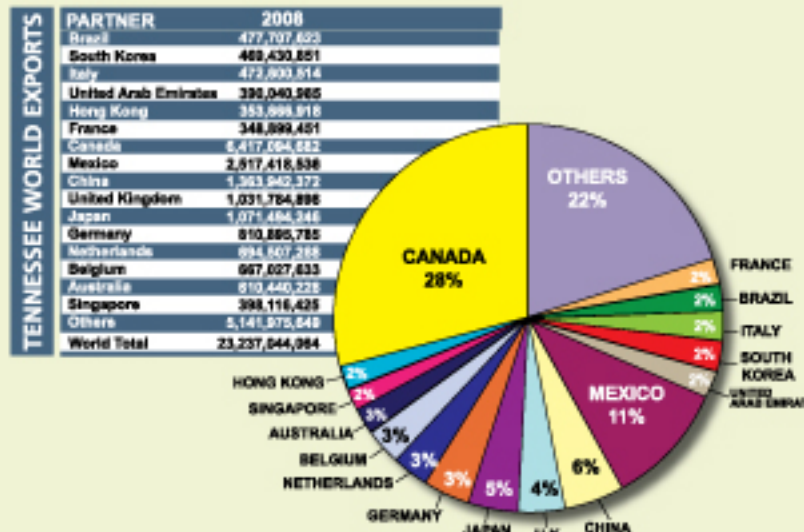
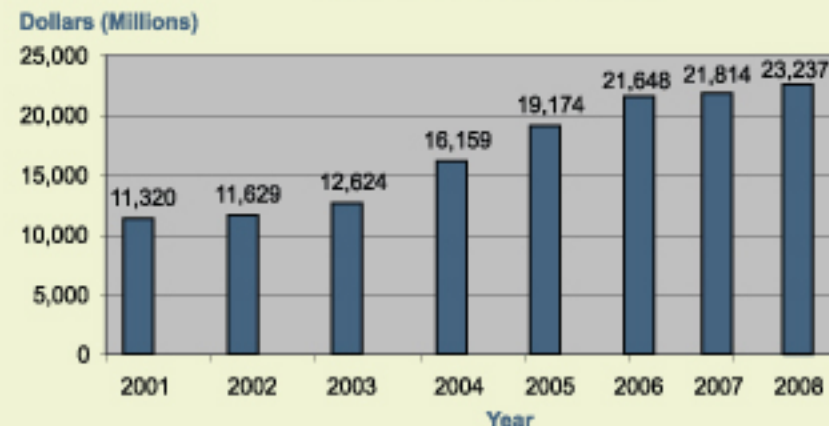
Tennessee exported more than \$23.2 billion in merchandise to countries around the globe last year. Export shipments grew 84% from 2003 to 2008. By comparison, the total U.S. growth in merchandise exports over this same period was only 79%.

The state's top export markets include Canada, Mexico and China, while the top export commodities include transportation equipment, computers and electronic products, and chemical manufactures.

### TOP 15 EXPORT GOODS

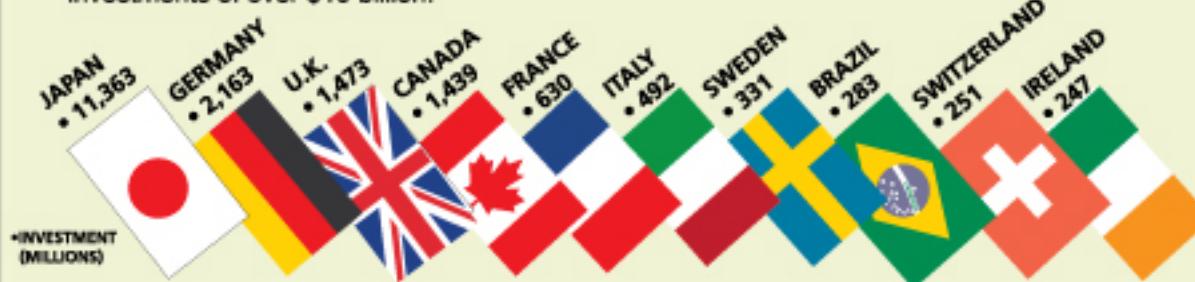
COMMODITY	2003 EXPORT VALUE (\$)	2008 EXPORT VALUE (\$)	GROWTH RATE
Transportation Equipment	2,499,939,455	4,629,246,399	88%
Chemical Manufactures	1,723,493,837	3,471,186,874	101%
Computers & Electronic Prod.	1,773,429,118	3,299,886,238	82%
Misc. Manufactures	836,919,882	2,695,236,910	323%
Machinery Manufactures	1,262,721,979	2,628,678,482	60%
Primary Metal Manufactures	393,805,355	785,485,377	213%
Elect. Equip. Appliances & Parts	481,087,119	782,385,421	63%
Fabricated Metal Products	355,545,514	752,395,140	112%
Paper Products	332,060,370	680,456,724	105%
Processed Foods	284,425,862	606,946,232	113%
Plastic & Rubber Products	473,873,463	646,519,247	29%
Beverage & Tobacco Products	242,979,727	613,898,835	111%
Fabric Mill Products	215,526,263	379,896,112	74%
Printing & Related Products	187,877,893	318,638,273	70%
Non-Metallic Mineral Mfg.	148,029,865	188,993,418	27%

### TENNESSEE EXPORTS

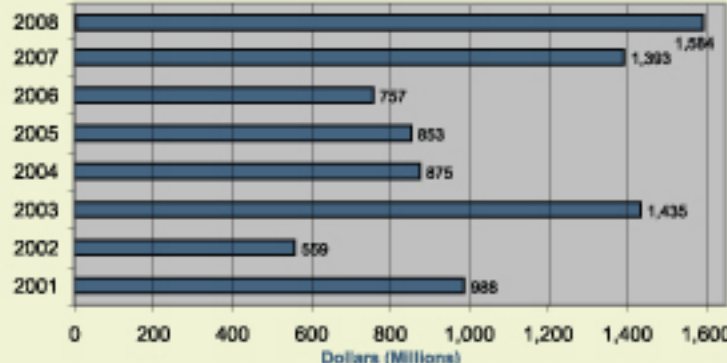


## FOREIGN DIRECT INVESTMENT

Tennessee is home to 680 foreign owned subsidiaries representing 29 countries and investments of over \$19 billion.



### FOREIGN INVESTMENT



More than 113,000 Tennesseans are employed by foreign owned subsidiaries, and more than half of these jobs are in the manufacturing sector.

Tennessee's top foreign investor is Japan, followed by Germany, the United Kingdom and Canada.

### MAJOR FOREIGN-OWNED COMPANIES

- Cascades**  
Cascades Tissue Group, IFC (Canada) - Brownsville
- Volkswagen**  
Volkswagen of America (Germany) - Chattanooga
- Nissan**  
Nissan North America (Japan) - Smyrna
- BRIDGESTONE**  
Bridgestone/Firestone Inc. (Japan) - Lebanon
- WACKER**  
Wacker Chemical Corp. (Germany) - Cleveland
- HSC**  
Hemlock Semiconductor (Japan-US) - Clarksville

# TENNESSEE 2009 AT A GLANCE

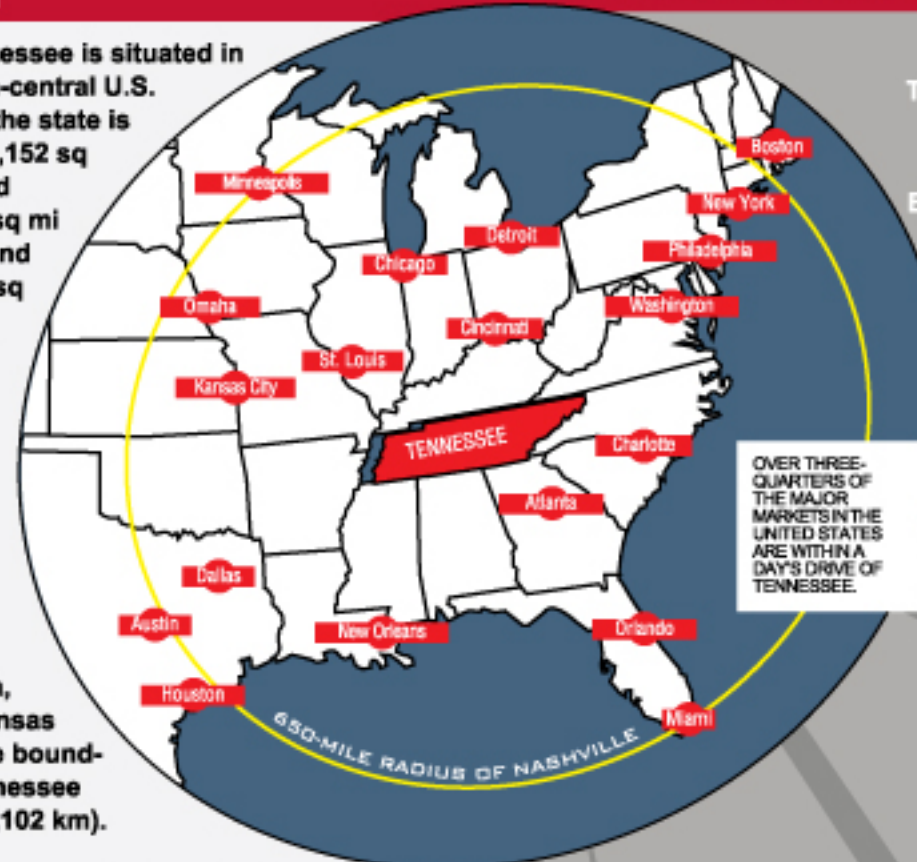
## INTRODUCTION

The State of Tennessee is situated in the eastern south-central U.S. The total area of the state is 42,146 sq mi (109,152 sq km), of which land occupies 41,220 sq mi (106,591 sq km) and inland water 926 sq mi (2,561 sq km). Tennessee extends about 491 mi (690 km) E-W and 115 mi (180 km) N-S. Tennessee is bordered by the states of Kentucky, Virginia, North Carolina, Georgia, Alabama, Mississippi, Arkansas and Missouri. The boundary length of Tennessee totals 1,306 mi (2,102 km).

Tennessee has a temperate climate with warm summers and mild winters. The warmest parts of the state with the longest growing season are the Gulf Coastal Plain, the Central Basin, and the Sequatchie Valley. Memphis has an annual mean temperature of 62°F (17°C), 40°F (4°C) in January, and 83°F (28°C) in July. Nashville has an annual mean of 59°F (15°C), ranging from 36°F (2°C) in January to 79°F (26°C) in July. The Knoxville area has an annual mean temperature of 60°F (16°C), with averages of 41°F (5°C) in January and 78°F (26°C) in July.



PREPARED BY THE DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT



OVER THREE-QUARTERS OF THE MAJOR MARKETS IN THE UNITED STATES ARE WITHIN A DAY'S DRIVE OF TENNESSEE.

★ Tennessee reached number two on *Site Selection* magazine's 2008 Top Business Climate rankings. November 2008

★ Tennessee named winner of *Site Selection* magazine's 2007 Competitiveness Award. May 2008

★ Chief Executive magazine ranked Tennessee as the fifth best state in the U.S. for jobs and business growth. March 2009

★ ECD Commissioner Matt Kisber named to *Southern Business & Development's* Top Ten People Who Made a Difference list. Winter 2008

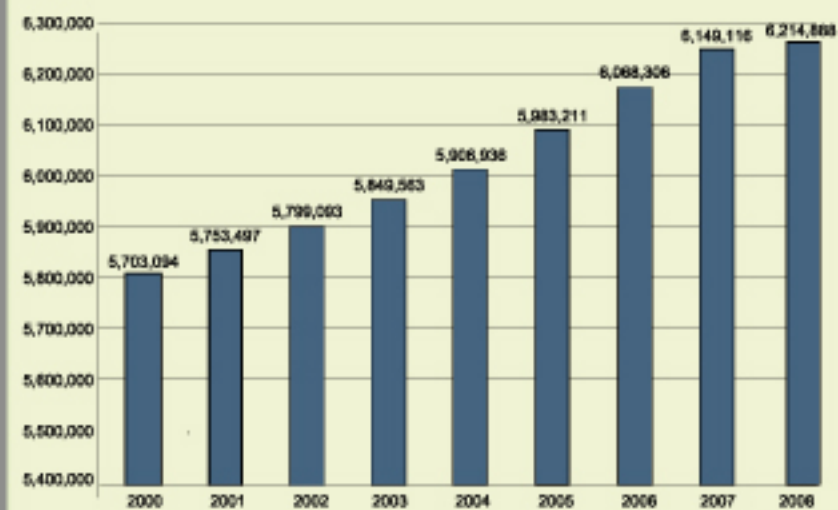
★ Tennessee jumped seven spots on the *Forbes* Best States for Business list, tying for the most improved, biggest mover. July 2007

A Kaufman Foundation study on U.S. entrepreneurial activity ranked Tennessee fourth highest in the nation for number of entrepreneurs per capita. April 2008

★ Volkswagen Group of America, Inc. and Hemlock Semiconductor projects in Tennessee named *Trade & Industry Development's* 2009 Corporate Investment and Community Impact (CICI) Awards winners. March 2009



## POPULATION



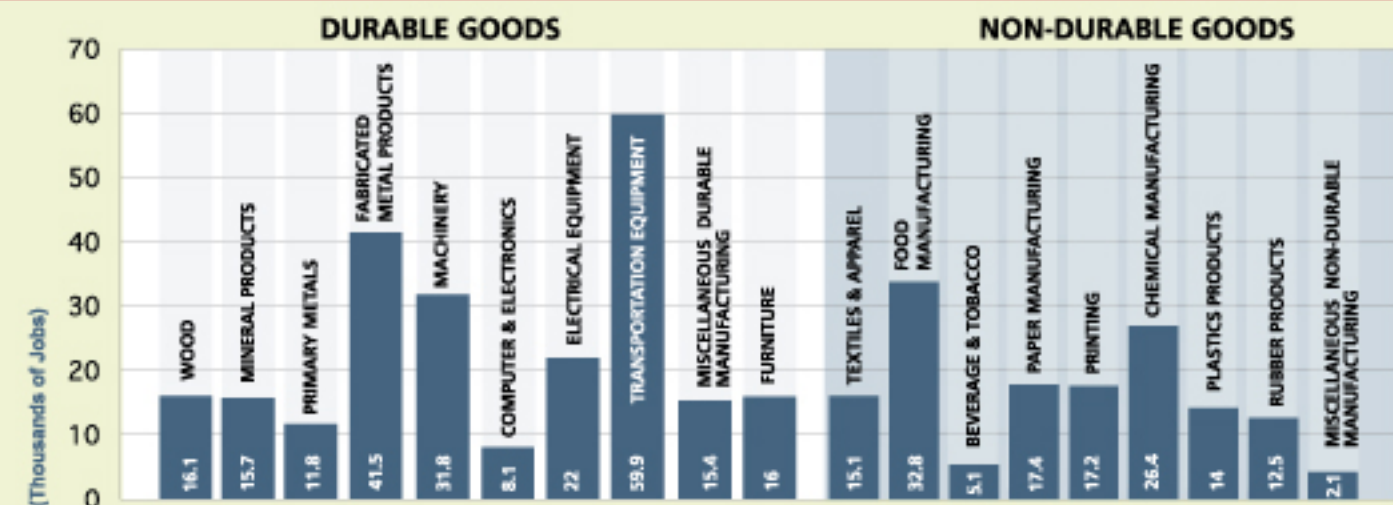
Source: U.S. Bureau of Economic Analysis

## PER CAPITA PERSONAL INCOME (DOLLARS)



Source: U.S. Bureau of Economic Analysis

## MANUFACTURING EMPLOYMENT 2007

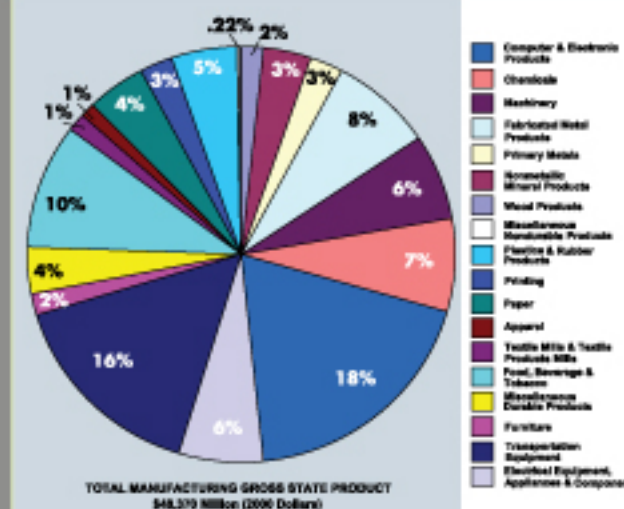


## MAJOR INDEXES OF NATIONAL ECONOMY

Index of 2007	VALUE	Avg. Annual Growth '00-'07
State GDP	243,869*	4.87%
State GDP Per Capita	33,748	1.38%
State GDP Manufacturing	39,369*	2.49%
Export for all Industries	21,814,580**	10.87%

\*Gross Millions \*\*Dollars Thousands

## DISTRIBUTION OF OUTPUT DURABLE AND NONDURABLE GOODS 2009 (PROJECTED)



TOTAL MANUFACTURING GROSS STATE PRODUCT \$48,379 Million (2006 Dollars)

Source: An Economic Report to the Governor of the State of Tennessee

RESEARCH

## INFRASTRUCTURE

Tennessee is the strategic choice for business because of its central location and strong transportation infrastructure.

- Tennessee's location places it within a day's drive from 75% of the major markets that represent 50% of the entire United States population.
- The state provides immediate access to eight interstate highways: 24, 26, 40, 55, 65, 75 and 81.
- Memphis, Tenn. is home to the world's busiest freight airport with connections to any location in the world. The state has a total of eight commercial airports and 76 regional and community service airports.
- There are numerous options for rail transportation with three major carriers that traverse all parts of the state: Norfolk-Southern, CSX and Illinois-Central.
- Tennessee boasts 1,062 miles (1,609 km) of navigable waterways and is centrally located on the nation's inland waterway system, connecting with river ports in 21 states and three ocean ports.

## HIGHWAYS & AIRPORTS

- Reach 75% of U.S. markets within one day by ground.
- Access the world's busiest freight airport.



## RAILWAYS

- Three major railroads traverse parts of the state: Norfolk-Southern, CSX and Illinois-Central.



## WATERWAYS

- Tennessee enjoys the benefits of more than 1,062 miles (1,609 km) of navigable waterways.



## CONTACT

For more information:

### TENNESSEE DEPARTMENT OF ECONOMIC & COMMUNITY DEVELOPMENT

Matthew Kisber, Commissioner

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## EDUCATION

Education is Tennessee's fundamental priority. It's the key to growing a strong economy, ensuring children's future success and improving the quality of life for all Tennesseans. In 2008-2009 alone, Tennessee appropriated nearly \$900 million for state universities, community colleges and vocational schools. The year before, 29,560 students received nearly \$61 million in state grants and scholarships offered through the Tennessee Student Assistance Corporation. In addition, more than 76,000 students participated in the Tennessee Education Lottery Scholarship Program, which awarded nearly \$226 million in scholarships over that same period. In the fall of 2008, the total enrollment at Tennessee's Post-Secondary Institutions was more than 295,000.

Post Secondary Enrollment (2008)  
**295,000**

### Engineering Programs

- Engineering programs are offered at 17 of the state's post-secondary institutions.
- In 2007-2008, Tennessee institutions awarded engineering degrees to 961 undergraduate and 153 graduate students.

**Tennessee Independent Colleges and Universities Association**

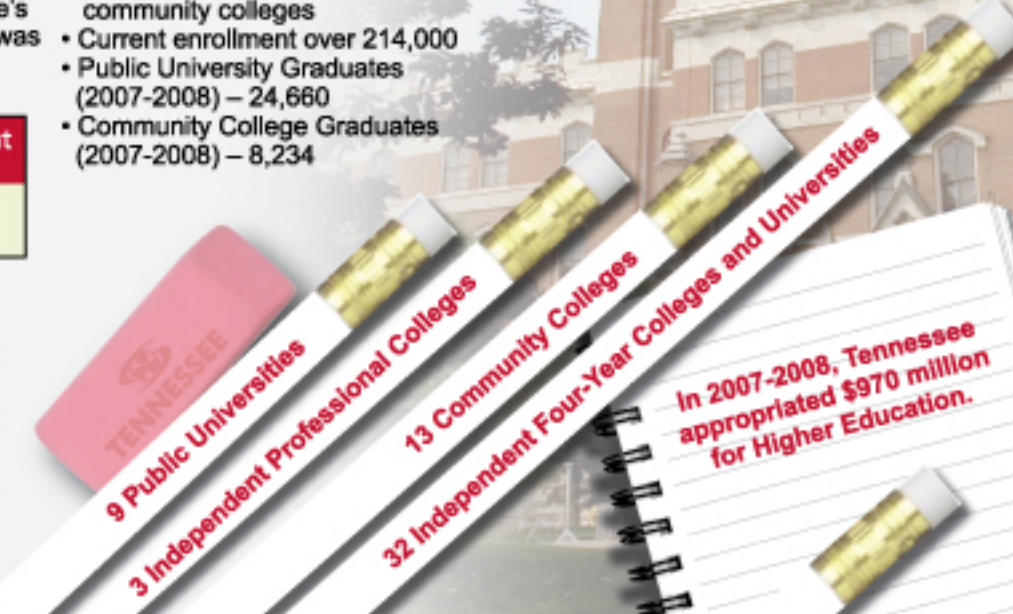
- 32 four-year colleges and universities
- 3 professional colleges
- Nearly 69,000 students are enrolled in TICUA institutions

### Tennessee Technology Centers

- Located in 27 geographical areas
- Provide high quality, technical training in a variety of fields
- Enrollment for 2007-2008 was nearly 30,000.
- From the 2006-2007 period 6,219 student graduates transitioned into the workforce with an average placement rate of 83.2%.

### Public Universities and Community Colleges

- 9 public universities and 13 community colleges
- Current enrollment over 214,000
- Public University Graduates (2007-2008) – 24,660
- Community College Graduates (2007-2008) – 8,234



In 2007-2008, Tennessee appropriated \$970 million for Higher Education.

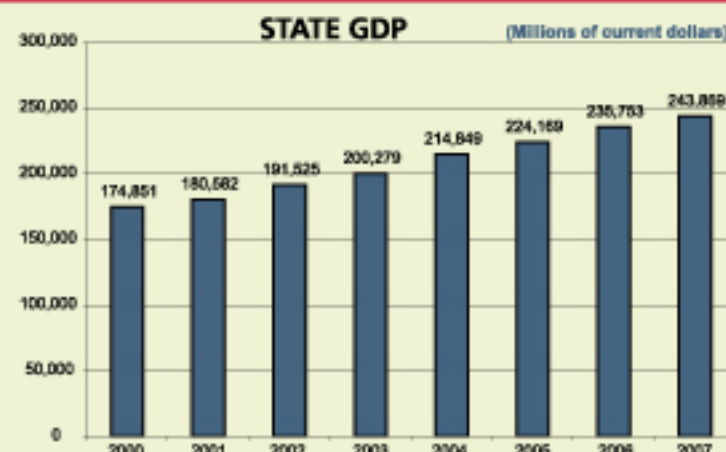
## WORKFORCE EDUCATION

Tennessee's workforce enjoys a reputation for being dependable, well trained, and dedicated. In Tennessee, a "critical mass" of highly skilled workers and cost-competitive conditions is converging to make the state a center for innovation and productivity.

	Total Population Age 25+	Grade K-8	Grade 9-12	High School Graduates	Associate's Degree	Bachelor's Degree	Graduate Degree	Some College, No Degree
State of Tennessee	4,061,516	302,251	475,309	1,394,783	228,866	572,759	306,838	780,710
Chattanooga	344,824	20,928	43,666	110,544	22,261	48,385	24,359	74,681
Knoxville	454,910	24,972	45,743	143,794	29,614	77,091	46,011	87,685
Memphis	798,626	44,272	89,073	247,517	46,861	124,090	67,056	179,757
Nashville	979,887	54,072	97,371	302,670	57,784	185,188	91,227	191,575
Tri-Cities	349,345	32,345	42,814	121,772	22,870	42,216	22,479	64,849

Source: U.S. Census Bureau

## MAJOR MANUFACTURING SECTORS



Source: Bureau of Economic Analysis

RESEARCH

Tennessee is the choice of numerous manufacturing sectors with total 2009 manufacturing GDP output projections totaling \$39,366 (millions 2000 \$). Of these manufacturing output levels, the Computer and Electronic Products and the Transportation Equipment sectors compose the largest portions of state GDP at 20% and 13% respectively.

As of January 2008, the manufacturing sector employed 386,500 Tennesseans, composing 14% of total nonagricultural employment by industrial sector. The leading employer in Tennessee is the Trade, Transportation, & Utilities sector with 631,300 employees making up 21% of employment.